1 April 1965

MEMORANDUM FOR RECORD

SUBJECT: The ITEK [redacted] Case

This noon I had lunch with Ted Walkowicz and the first opportunity to recount the dramatic ITEK action of 24 February. The discussion consisted of (1) an account by Ted of the situation as he experienced it, (2) my experience, and (3) some thoughts for the future. Several key points developed - many of them news to me.

Ted's Experience

1. Ted was called by Mr. McCone immediately upon his (Ted's) return from a Rio de Janeiro vacation. McCone: "No company of mine would ever be allowed to sign a contract like the one you signed with us."

2. Ted met McCone at CIA Headquarters. Bross had finished an investigation of ITEK [redacted] McCone agreed that there was no sign of a "pay-off" or "buy-off." Ted made two concessions:

a. He feels Levison and Company should have notified Wheelon and then let Wheelon carry the word to the Land Committee (or perhaps compromise internally).

b. He feels Lindsay should have communicated his dissatisfaction to McCone much earlier in the game, i.e., as soon as it became troublesome to him.

3. Wheelon accosted Ted immediately after the McCone encounter. He was "livid" and harangued Ted for a long time. Ted asked, "What about the future?" Wheelon demanded that Ted fire Lindsay, Philbrick, Levison, and Wolfe prior to any possible discussion of future work. Ted demurred; said perhaps more discussion later on.

My Experience

I recounted what is in my memoranda for record on this subject.

The Future

Ted will stand by his people. No one will be fired. He thinks highly of Lindsay and has talked personally to Levison. ITEK has been given [redacted] to help cooperate with [redacted] and to produce a model of "something we'll be proud to show Dr. McMillan."

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